Statement of Rodney E. Slater Secretary, United States Department of Transportation before the

Committee on Commerce, Science, and Transportation United States Senate September 12, 2000

Mr. Chairman and Members of the Committee:

Thank you for holding this important full Committee hearing. To begin, I want to emphasize the importance of safety to the Department of Transportation. It is our top transportation priority. It is the North Star by which we are guided and willing to be judged. I want to commend you for your leadership, Mr. Chairman, and that of other Committee members.

Mr. Chairman, almost four years ago when I appeared before this Committee at my confirmation hearing, I pledged to you that I would continue to make safety and security the highest priority of the Department. I promised to strive to raise our current levels of safety to even greater heights. In closing, I want to highlight some of the major accomplishments that this Committee, in particular, was instrumental in helping to achieve. The record is impressive:

- Highway death and injury rates have dropped to all-time lows: from 1.6 to 1.5 deaths per 100 million vehicle miles traveled; and from 133 to 119 injuries per 100 million vehicle miles traveled
- Commercial aircraft fatal accident rate reduced from 0.055 to 0.04 per 100,000 flight hours
- Alcohol-related highway fatalities reduced to 38% from 38.6% as a percentage of the total
- Boating fatalities reduced from 857 per year to 773
- Rail related fatalities per million train-miles reduced from 1.57 to 1.30
- Natural gas transmission pipeline failures reduced from 4,871 per year to 3,754
- Serious hazardous material transportation incidents reduced from 422 per year to 341.

In addressing you today, I want to acknowledge the outstanding effort that NHTSA, under the leadership of Administrator Dr. Sue Bailey, is making to address the investigation and recall of Firestone ATX, ATX II and Wilderness AT tires. Dr. Bailey has submitted a statement for the record, in which she provides the status of the investigation as of today. The investigation is continuing on an urgent basis. I have directed the agency to use every means available to conclude the investigation within six months. Dr. Bailey is available to respond to any questions you may have on the history and progress of the investigation.

Mr. Chairman, you wrote me on August 14 to ask that we "review and examine the data collection reporting system used by NHTSA to detect defects." Today I will outline a series of legislative actions that I believe we need to take. But before doing so, I want to urge members of this Committee, especially those who will serve as conferees on our appropriations bill, to strike language in the bill to effectively block efforts to complete implementation of the consumer rollover rating system proposed by this Department in June.

At the top of our list is the comprehensive bill that we submitted in March of this year to increase civil penalties for defective and noncomplying products, extend the period within which the manufacturers must provide a remedy at no cost to consumers, and require manufacturers to test their products as a basis for their certification of compliance. We hope it will be possible to move this important legislation on an urgent basis. Its provisions will advance the cause of safety.

We will resubmit our March proposal as part of a larger bill that builds on the lessons we have learned in the Firestone investigation.

It is clear that the scope of NHTSA's efforts to obtain data about potential safety defects needs to be broadened. To do this, NHTSA needs stronger investigative authority to get the data it needs. Armed with this authority, NHTSA will move quickly to exercise its authority to the fullest extent possible. I would ask Congress to move quickly to legislate new authority, and give the agency the tools it needs to forge ahead quickly.

Our legislative proposal will require manufacturers to report information about potential defects in vehicles or equipment that first comes to light in foreign countries, if that information relates in any way to vehicles or equipment in the United States. Due to the lack of this requirement, we did not learn of the problems Ford and Firestone were having in Saudi Arabia and other countries until after we had opened our own investigation in May of this year. If this provision is enacted, we can ensure that this will not happen again.

In the international context, our proposal will seek greater authority to seek and obtain information from foreign governments and organizations concerning possible safety defects that could show up in the United States. We will believe that greater interaction with foreign safety agencies will help us get an early warning of problems before they occur here. Conversely, we could provide useful information to foreign governments, if they find themselves in a similar situation.

Our new proposal will also seek to close a number of loopholes in our ability to get timely information from manufacturers and other sources about possible defects. We should have full authority to get safety information from manufacturers about their claims experience, as well as warranty and adjustment data. We need the same type of information from the companies who supply original equipment, such as braking systems, to the vehicle manufacturers. And we need to get timely information about claims information from the insurance industry. Our bill will seek authority for each of these measures. It will also seek to remove the ceiling on penalties for related violations.

Finally, Mr. Chairman, we will seek additional funding for NHTSA's safety enforcement program. The Office of Defect Investigation needs to have additional resources, both in funding and in people, and we will ask the Congress to provide it. We will immediately reprogram \$1.8 million of FY 2001 funding to the Firestone investigation from other NHTSA activities.

I know that several members of Congress have either introduced legislation or are considering introducing legislation. We welcome these initiatives, as well as yours, Mr.

Chairman, and want to work together to secure the enactment of effective legislation that will strengthen highway safety.

I believe that this legislation will give us the expanded authority that we need. I pledge that as long as I am Secretary, we will do everything in our power to use this authority, and our existing authority, vigorously. My constant message to Departmental staff is that we must be vigilant and visionary. I can think of no clearer case in which this message must be heard: we must look to the future and guard against any repetition of tragedies caused by defective vehicles or equipment.

Mr. Chairman, this concludes my testimony. Dr. Bailey and I will be glad to answer your questions.